

**KNOWL
EDGE**

Not all healthcare funds are created equal

Comparing TD Healthcare & Technology Funds

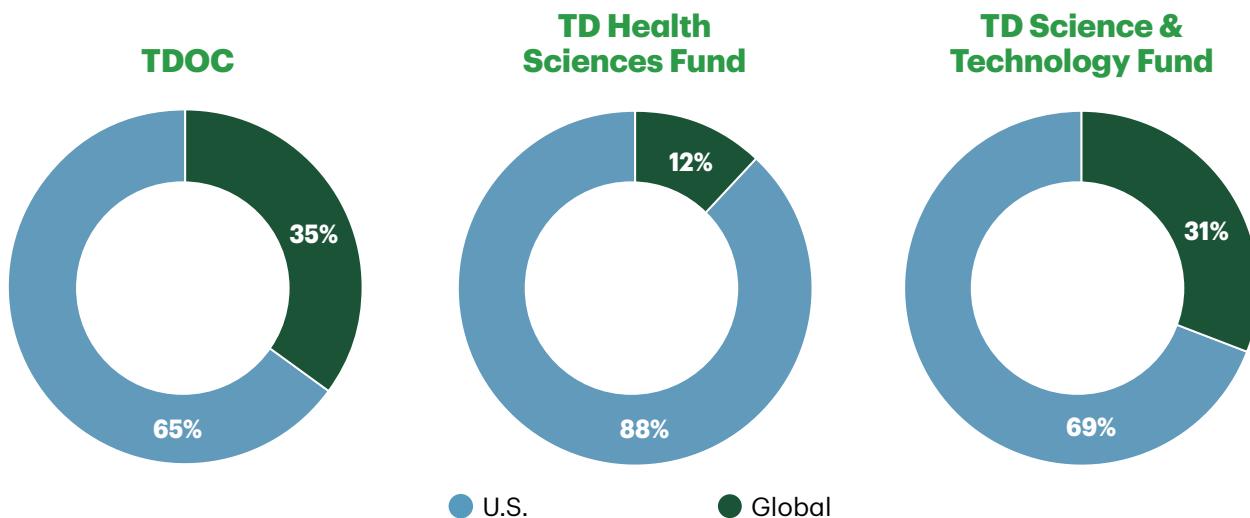
This brochure compares the TD Global Healthcare Leaders Index ETF (TDOC) to TD Science & Technology Fund and TD Health Sciences Fund. The information presented will help you choose which fund is right for your portfolio, and to highlight how all three funds can be used together.

As of May 31, 2022	TD Global Healthcare Leaders Index ETF TDOC TDOC.U	TD Health Sciences Fund	TD Science & Technology Fund
Strategy	Passively Managed	Actively Managed	Actively Managed
Area of Focus	Tracks the performance of securities of global large and mid-cap issuers that are related to healthcare	Seeks long-term capital appreciation by investing primarily in equity securities of companies that are engaged in the research, development, production, or distribution of products or services related to health care, medicine, or the life sciences	Seeks long-term capital appreciation by investing primarily in equity securities of companies that are engaged in the research, development, production or distribution of products or services related to science and technology
Currency Hedging	N/A	N/A	Opportunistic, up to 100%
Market Capitalization Focus	Mid-mega cap	All-cap	All-cap
Emerging Markets Exposure	N/A	N/A	Permitted
MER	0.38%	1.38% (F-Series)	1.38% (F-Series)
No. of Holdings	147	277	79
Portfolio Concentration (Top 10)	21.5%	35.7%	50.6%

Where are they invested?

Below we break down geographic exposure. As illustrated, TDOC offers investors more exposure to global companies, therefore, investors who are seeking to diversify their geographic exposure could hold all three funds in tandem.

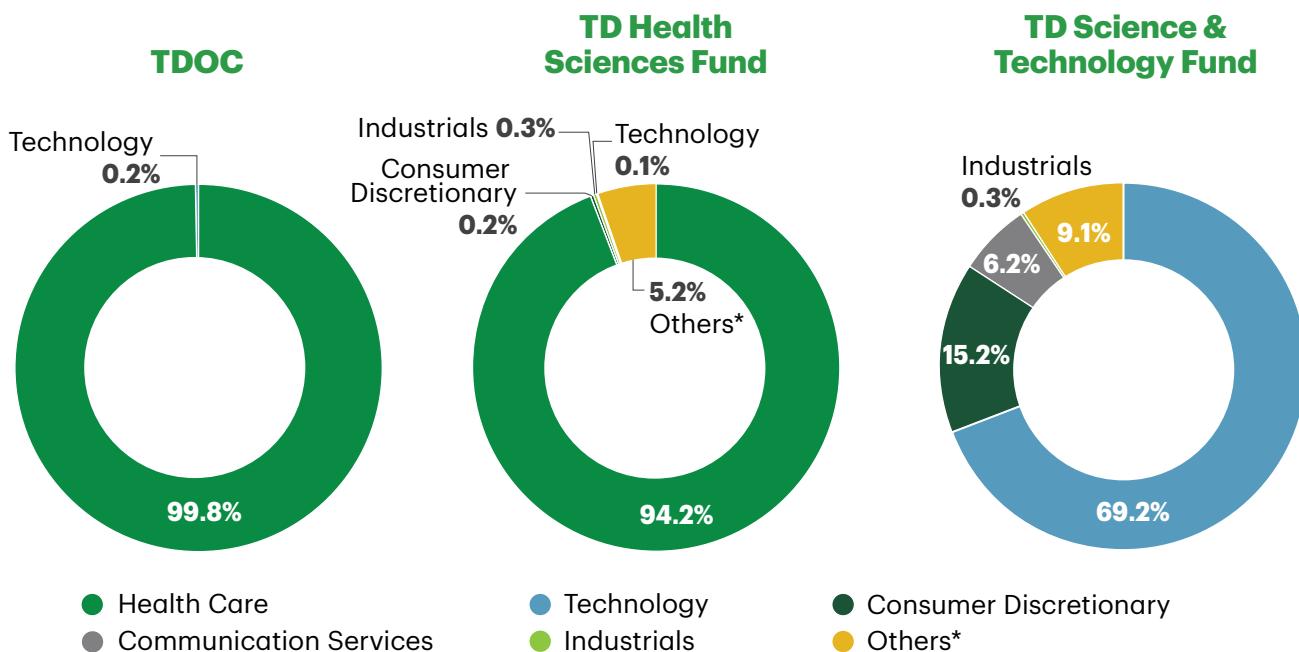
As of May 31, 2022



What are the sector allocations?

Below are the sector allocations for all three funds. The two healthcare funds are primarily invested in the healthcare sector while there is limited healthcare exposure in the TD Science & Technology Fund. This creates an opportunity for investors in the TD Science & Technology Fund to further diversify their portfolios by adding a growing sector with little-to-no overlap with the technology sector. On the next page, a breakdown on a healthcare sub-sector level is shown.

As of May 31, 2022



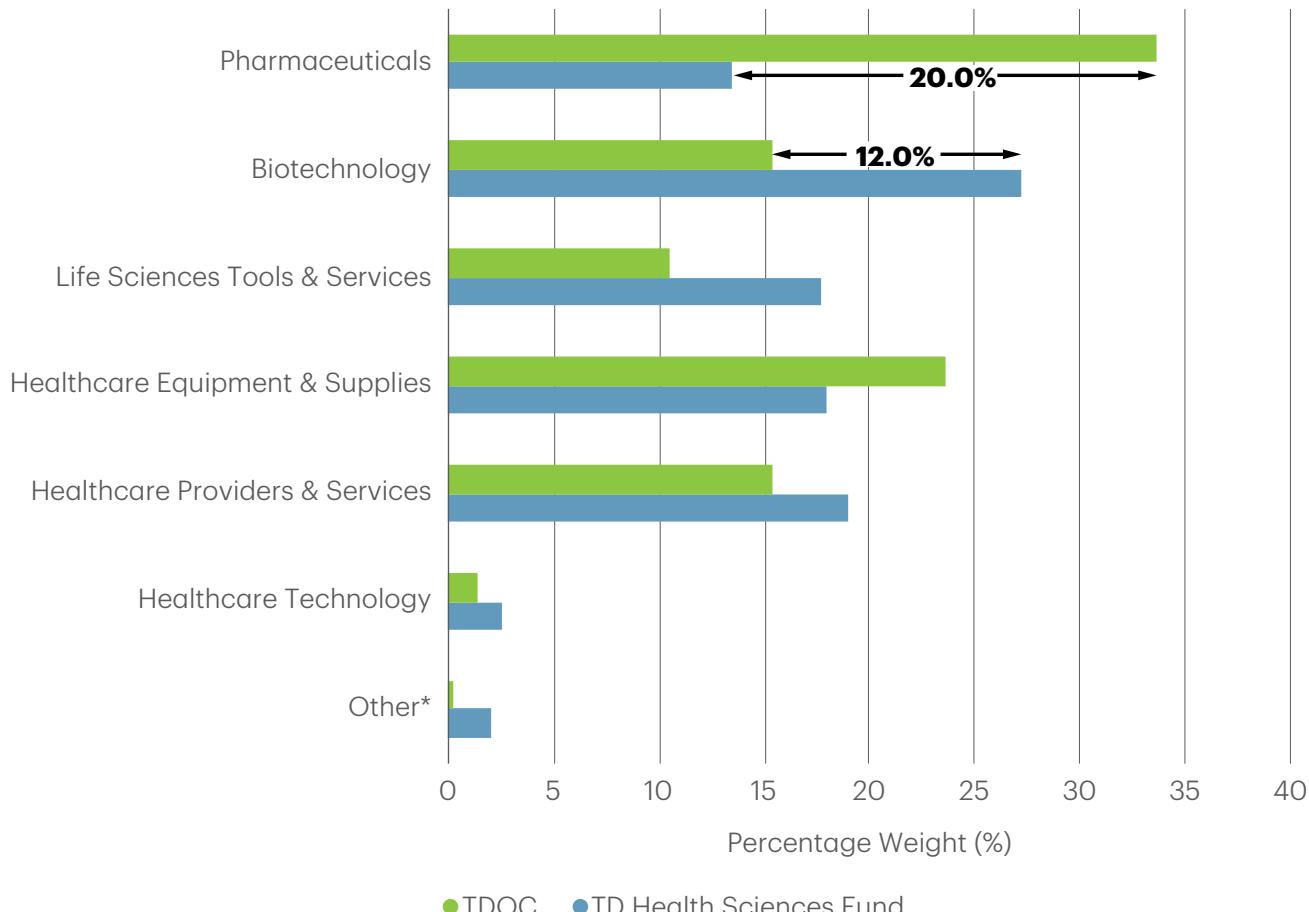
*Other includes private placements, cash and cash equivalents, and other securities that are unclassified.

Healthcare sub-sector comparison

It isn't surprising that the two healthcare funds are almost 100% invested in the healthcare sector. The chart below compares the two healthcare funds on a sub-sector basis highlighting important differences between them. This shows that owning both healthcare funds can increase diversification across the healthcare sector, specifically amongst the Pharmaceuticals & Biotechnology sub-sectors.

As of March 31, 2022

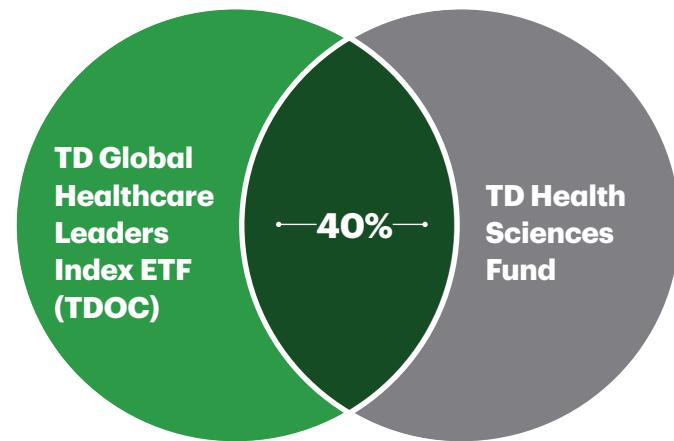
Healthcare Sector Breakdown



*Other includes private placements, cash and cash equivalents, and other securities that are unclassified.

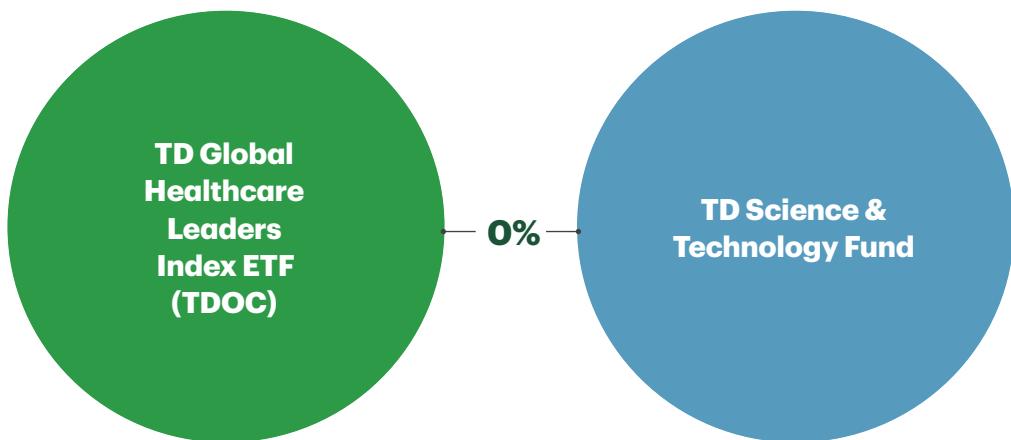
TDOC or the TD Health Sciences Fund?

Why not both? Whether you are seeking active management or passive indexing, both funds provide diversified exposure to the innovative and growing healthcare sector. With approximately a **40% overlap** between them, and with more global exposure in TDOC, both funds can offer investors the opportunity for strong risk-adjusted returns.



TDOC or the TD Science and Technology Fund?

There is 0% overlap between the two funds, meaning they do not have any common holdings. While this may change in the future, it will most likely be a marginal change. Minimal overlap between funds allows investors to seek greater diversification and gain access to new sectors with low correlation to one another. Therefore, owning both funds can be complimentary within a portfolio. **TDOC offers investors a low-cost passively managed solution while the TD Science & Technology Fund offers active management from a proven asset manager, T. Rowe Price Associates Inc.**



Note: As of May 31, 2022. Overlap is calculated by comparing common holdings. For example, if the TD Global Healthcare Leaders Index ETF holds Company A at an 8% weighting and TD Health Sciences Fund holds Company A at a 3% weighting. The result would be a 3% common holding, resulting in a 3% overlap.

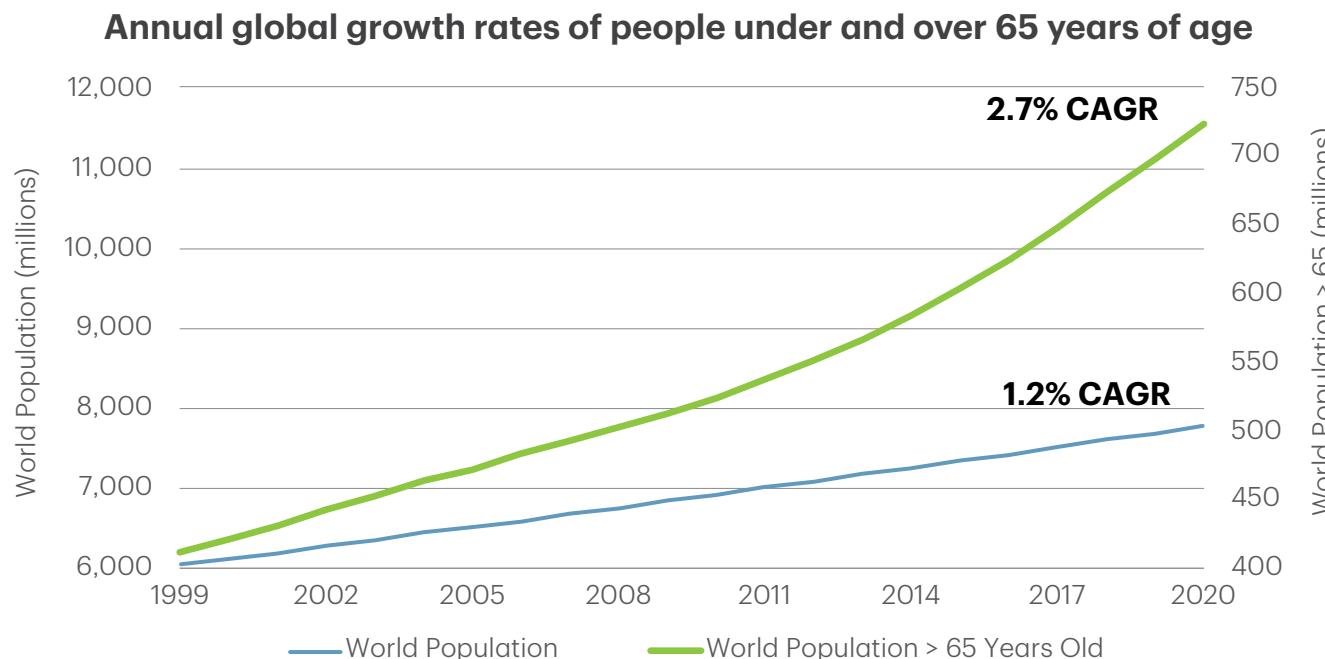
Why Healthcare?

Now that we have covered the available funds, here's why you might want to add healthcare to your portfolio:



As the world's population ages, the demand for healthcare services will continue to grow.

In the U.S., healthcare expenditures for someone over the age of 65 is approximately four times the amount spent on someone in their twenties. As the population ages, the healthcare sector benefits from greater demand, despite modest population growth. Considering that demographics over the next three decades are likely set in stone, these tailwinds seem durable and sustainable.



Why TDOC?

Global Exposure



Diversified Healthcare Portfolio



Low-Cost



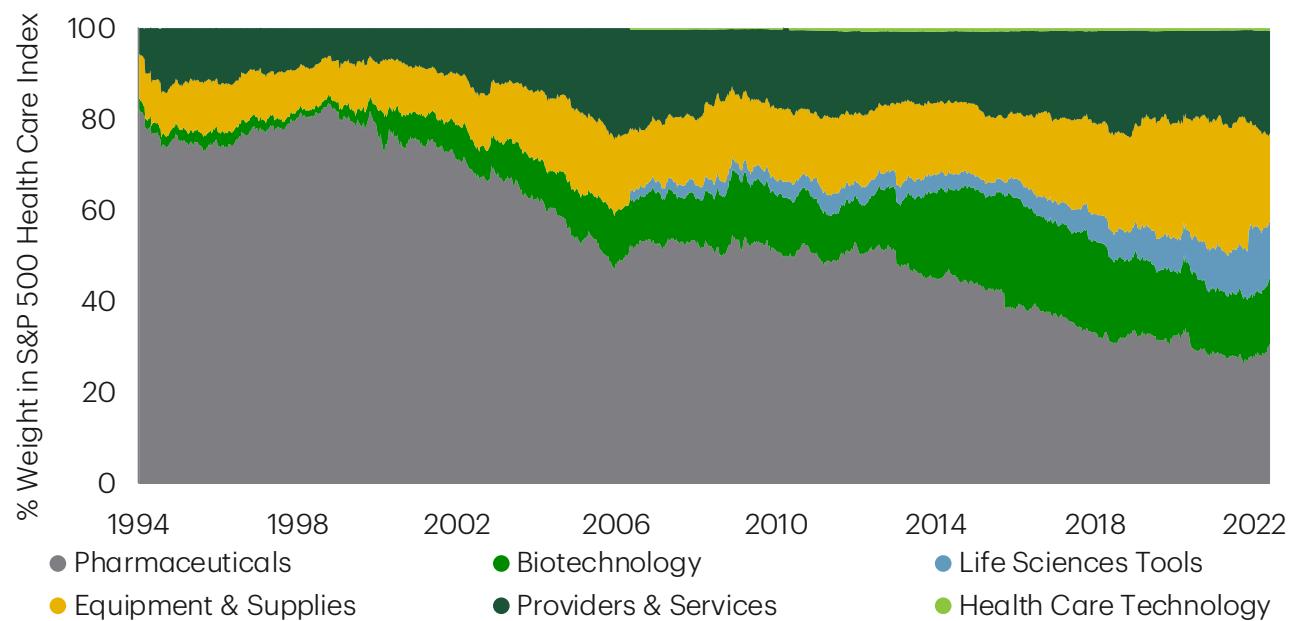
Gain exposure to global companies on the forefront of healthcare innovation

A **cap of 2%** on any individual security held in TDOC is designed to improve diversification compared to indexes or portfolios that may be overweight in mega-pharma companies

A competitive management fee of **0.35%** may allow for more of your money to be put to work

A cap of 2% is one of the biggest differentiators of TDOC. Limiting exposure to mega-cap pharma allows for **greater allocation to mid to large cap healthcare companies** that have more room to grow. The chart below highlights why this creates a positive effect. The gray area indicates that, over the last 25 years, the pharmaceuticals sub-sector has moved from a weighting of over 80% of the S&P Healthcare Index to just above 30%. At the same time, other sub-sectors have seen large growth. At TD Asset Management Inc., we expect this trend to continue, and TDOC should be a beneficiary of this growth.

S&P 500 Health Care — Industry Composition



Source: Bloomberg Finance L.P, TD Asset Management. As of May 2022.

Performance Overview



Access the [Fund Card >](#) and stay up-to-date with the latest TDOC performance details, including:

- Historical data
- Daily closing price
- Management expense ratio (MER)
- Asset mix
- Top holdings

Related TDOC References

[Thought Leadership Paper >](#)

TD Asset Management Investor Knowledge + 10 Minutes = Confident Investing

Building a Healthy Portfolio

Gaining exposure to the Healthcare sector can help boost a portfolio's returns and reduce volatility

At a Glance

- The Healthcare sector benefits from strong secular tailwinds including demographics and innovation. These trends are anticipated to remain in place for many years.
- To take advantage of these secular trends, investors can seek diversified exposure to the very broad-based Healthcare sector, and its many growing segments.
- TDOC can provide exposure to take advantage of the growth potential of the Healthcare sector through a single one-stop solution.

[Product Overview >](#)

TD Asset Management Product Overview + 5 Minutes = New Solutions

TDOC TD Global Healthcare Leaders Index ETF Product Overview

At a glance

- Exposure to a growing sector that is well-positioned to generate above-average long-term growth
- Invest in Global Healthcare companies while reducing exposure to mega cap pharmaceutical companies (20% cap on any single security).
- Take advantage of a low-cost custom index structure of well-diversified Global Healthcare assets

Investment Objective

The TDOC is designed to provide investors with unique exposure to the technology sector. The Health Care sector is the second largest sector in the S&P 500.

Investment Approach

- TDOC tracks the TD Global Technology Leaders Index ETF which provides investors with unique exposure to the technology sector.
- The Health Care sector is the second largest sector in the S&P 500.
- Stocks in the ETF will consist of mid- and large-cap Global Healthcare companies, with a cap of 2% to any single security in the Solactive Global Healthcare Leaders Index (CA-NY), helping ensure individual stocks are not over-exposed to mega-cap pharmaceuticals.
- TDOC is designed to deliver a low-cost structure while providing comprehensive exposure to the Global Healthcare industry.

Target Audience

Designed to help meet the needs of a long-term investor who:

- wants exposure to the Global Healthcare sector
- is contributing to the growth component of a diversified portfolio
- can handle changes in the value of their investment

[Blog >](#)

Is your portfolio healthy enough?

Published: 20/04/2021

Investor Knowledge + 10 Minutes = New Thinking

Personal health is arguably our greatest asset. Good health provides us hope, opens doors to pursue our passions, and allows us to enjoy life to the fullest. Around the world, healthcare has largely been adopted as a human right, with governments, individuals, and corporations investing ever increasing amounts

**For more information, please contact your investment professional
or visit [TD.com/ETFs](#)**

Connect with TD Asset Management



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Please read the fund facts or summary documents and the prospectus, which contain detailed investment information, before investing in the Funds. The indicated rates of return (other than for money market funds) are the historical total returns for the period, compounded for mutual funds, including changes in unit value and reinvestment of distributions. The indicated rate of return for each money market fund is an annualized historical yield based on the seven-day period ended as indicated and annualized in the case of effective yield by compounding the seven day return and does not represent an actual one year return. Index returns do not represent ETF returns. The indicated rates of return do not take into account sales, redemption, commission charges, distribution or optional charges, as applicable, or income taxes payable by any securityholder that would have reduced returns. 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